Remarks/Arguments

Reconsideration of this application is requested.

Claim Status

Claims 3-9 and 13-23 were previously presented in this application and remain pending. Independent claims 3, 4, 7-9, 13-15, 17 and 19-23 are amended.

Claim Rejections

Claims 3, 4, 7-9, 13 and 22 are rejected under 35 USC 102(e) as anticipated by Baba (USP 5,987,129), and claims 5, 6, 14-21 and 23 are rejected under 35 USC 103(a) as obvious over Baba.

In response, each of the independent claims is amended to require that the divided information used to generate the secret keys allows diminished sizes of the secret keys. As was discussed in the previous response, Baba does not disclose that the divided information used to generate the secret keys allows for diminished sizes of the secret keys. Page 9 of the December 9 Action references this feature but notes that it is not included as a limitation in the independent claims. As it is now included in each of the independent claims, applicant submits that all claims are now allowable over Baba.

Applicant further submits that this amendment does not raise issues requiring further search or consideration and may be properly entered after final. As noted above, the limitation at issue has been the subject of previous arguments by applicant and was referenced by the Examiner in the previous action.

Conclusion

This application is now believed to be in condition for allowance. The Examiner is invited to telephone the undersigned to resolve any issues that remain after consideration of this amendment. Any fees due with this response may be charged to our Deposit Account No. 50-1314.

Atty. Ref. 81800.0018 Customer No. 26021

Appl. No. 09/489,696 Amdt. Dated <u>February 8</u>, 2005 Reply to Office Action of December 9, 2004

Respectfully submitted,

HOGAN & HARTSON L.L.P.

Date: February 8, 2005

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